

August 16, 2017

Via: CM/ECF System

The Honorable United States District Judge George C. Hanks, Jr.  
U.S. District Courthouse  
601 Rosenberg, Sixth Floor  
Galveston, TX 77550

Re: Case No. 4:17-cv-00589, In the United States District Court of Texas, Houston Division; *SandBox Logistics, LLC et al. v. Proppant Express Investments, LLC, et al.*

Judge Hanks:

As Your Honor is aware, SandBox has moved for a preliminary injunction to: (1) restrict Defendants from filing, prosecuting, funding, assisting others to prosecute, or otherwise participating in *inter partes* review (“IPR”) challenges to any SandBox patents in violation of a contractual forum selection clause requiring that any challenge to SandBox’s patents be brought in a Houston court; and (2) require Defendants to withdraw the IPR petition they have filed regarding SandBox’s U.S. Patent No. 8,585,341. The Court has not yet issued its ruling on SandBox’s request for a preliminary injunction.

Although the Court’s ruling is pending, the PropX Defendants recently filed two new IPR petitions against SandBox patents with the Patent and Trademark Office. Those IPR petitions, which were filed on August 7, involve challenges to SandBox’s U.S. Patent Nos. 9,296,518 (IPR2017-01917) and 9,403,626 (IPR2017-01918). During the preliminary injunction hearing on June 6, SandBox specifically addressed the reasons why PropX is barred from pursuing IPRs on the ’518 and ’626 patents. Therefore, just as Defendants should be ordered to withdraw the IPR on the ’341 patent, they should be ordered to withdraw the new IPRs on the ’518 and ’626 patents.

SandBox is now being forced to litigate four different proceedings in two different forums — this is exactly the kind of irreparable harm and needless expense that the forum selection clause was supposed to prevent. SandBox respectfully requests, therefore, that the Court grant its motion for a preliminary injunction.

Sandbox’s counsel can be available for a telephonic status conference at the Court’s convenience if the Court would find that helpful.

Respectfully submitted,

/s/ Matthew P. Whitley

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